

**Incurred Cost Audit
for TIR-94-0028
Fiscal Year 1997**

July 2001

Reference Number: 2001-1C-107

This report has cleared the Treasury Inspector General for Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

INSPECTOR GENERAL
for TAX
ADMINISTRATION

July 10, 2001

MEMORANDUM FOR DAVID A. GRANT
DIRECTOR OF PROCUREMENT
INTERNAL REVENUE SERVICE

A handwritten signature in cursive script, reading "Pamela J. Gardiner".

FROM: Pamela J. Gardiner
Deputy Inspector General for Audit

SUBJECT: Incurred Cost Audit for TIR-94-0028 Fiscal Year 1997

In response to your request, the Defense Contract Audit Agency (DCAA) audited the certified final indirect cost rates proposal and related books and records for reimbursement of Fiscal Year 1997 incurred costs. DCAA also audited the certified final overhead and General and Administrative Facilities Capital Cost of Money (FCCOM) factors proposal. The purpose of the audit was to determine allowability of direct costs, indirect cost rates and FCCOM factors, and recommend procurement-determined rates and factors for January 1, 1997 through December 31, 1997.

At this time, the DCAA did not disclose any exceptions to the proposed indirect rates or direct costs. The DCAA did qualify its opinion because outstanding audit reports had not been received (i.e., assist audits of subcontract costs, corporate and segment allocation audits).

The information in this report should not be used for purposes other than that intended without prior consultation with the Treasury Inspector General for Tax Administration regarding its applicability.

If you have any questions, please contact me at (202) 622-6510 or Maurice S. Moody, Assistant Inspector General for Audit (Headquarters Operations and Exempt Organizations Programs), at (202) 622-8500.

Attachment

NOTICE:

The Office of Inspector General for Tax Administration has no objection to the release of this report, at the discretion of the contracting officer, to duly authorized representatives of the contractor.

The contractor information contained in this report is proprietary information. The restrictions of 18 USC 1905 must be followed in releasing any information to the public.

This report may not be released without the approval of this office, except to an agency requesting the report for use in negotiating or administering a contract with the contractor.

The TIGTA seal was removed due to its size.